GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4955
ANSWERED ON:31.03.2017
Taxes on Petroleum Products
Danve Shri Raosaheb Patil;Hooda Shri Deepender Singh;Thakur Smt. Savitri

Will the Minister of FINANCE be pleased to state:

(a) the details of excise duty collected on petrol, diesel and kerosene along with the increase/decrease in revenue due to variation in the prices of petrol, diesel and kerosene during the last three years and the current year;

(b) whether the imposition of taxes by the Government on prices of petrol, diesel, CNG and LPG are used at maintenance and construction of new roads; and

(c)) if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SANTOSH KUMAR GANGWAR)

(a):Kerosene for ultimate sale through the public distribution system is exempt from central excise duty. Also, central excise duty is levied on petrol and diesel on specific basis i.e. per litre basis and not on ad valorem basis. Therefore, increase/decrease in revenue cannot be attributed to variation in prices of petrol and diesel as such. Central Excise revenue collections from petrol and diesel during the last three and the current year are as under:

All figures in Rs. crore

Petroleum product	2013-14	2014-15	2015-16	2016-17 (upto February)
Petrol	22,424	30,826	53,413	64,509
Diesel	27,146	42,464	1,01,177	1,37,426

(b) and (c):An Additional Duty of Excise @ Rs.6 per litre is levied and collected on Motor Spirit (Petrol) under section 111 of the Finance (No. 2) Act, 1998. Also, an Additional Duty of Excise @ Rs.6 per litre is levied and collected, on High Speed Diesel Oil under section 133 of the Finance Act, 1999. These levies are deemed to be a cessfor the purpose of the Central Road Fund Act, 2000. The funds accrued under the Central Road Fund are utilised for development and maintenance of National Highways and for development of State Roads (non Rural Roads) and Roads of Economic Importance and Inter-State Connectivity (EI&ISC) as per the provisions of the Central Road Fund Act, 2000 as amended by the Finance Act from time to time.

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